

WEIL, GOTSHAL & MANGES LLP
Stephen Karotkin (*pro hac vice*)
(stephen.karotkin@weil.com)
Jessica Liou (*pro hac vice*)
(jessica.liou@weil.com)
Matthew Goren (*pro hac vice*)
(matthew.goren@weil.com)
767 Fifth Avenue
New York, NY 10153-0119
Tel: 212 310 8000
Fax: 212 310 8007

KELLER & BENVENUTTI LLP
Tobias S. Keller (#151445)
(tkeller@kellerbenvenutti.com)
Jane Kim (#298192)
(jkim@kellerbenvenutti.com)
650 California Street, Suite 1900
San Francisco, CA 94108
Tel: 415 496 6723
Fax: 650 636 9251

*Proposed Attorneys for Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
- ☐ Affects Pacific Gas and Electric Company
- ☒ Affects both Debtors

** All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Bankruptcy Case
No. 19 -30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**DECLARATION OF TOBIAS S. KELLER
IN SUPPORT OF APPLICATION OF
DEBTORS PURSUANT TO 11 U.S.C. §
327(a) AND FED. R. BANKR. P. 2014(a)
AND 2016 FOR AUTHORITY TO RETAIN
AND EMPLOY KELLER & BENVENUTTI
LLP AS ATTORNEYS FOR THE DEBTORS
NUNC PRO TUNC TO THE PETITION
DATE**

Date: April 9, 2019

Time: 9:30 a.m. (Pacific Time)

Place: United States Bankruptcy Court
Courtroom 17, 16th Floor

1 I, Tobias S. Keller, hereby declare pursuant 28 U.S.C. § 1746:

2 1. I am a partner of the firm of Keller & Benvenuti LLP (the "Firm"), a law firm with
3 offices at 650 California Street, Suite 1900, San Francisco, California 94108.

4 2. I submit this Declaration in connection with the Application submitted on the date
5 hereof (the "Application")¹ of PG&E Corporation and Pacific Gas and Electric Company, as debtors
6 and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the
7 "Chapter 11 Cases"), for authority to employ and retain the Firm as their attorneys, effective as of
8 January 29, 2019 (the "Petition Date"), at its normal hourly rate in effect from time to time and in
9 accordance with its normal reimbursement policies, in compliance with section 327(a) of title 11 of the
10 United States Code (the "Bankruptcy Code"), and to provide the disclosure required under Rules
11 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and the
12 Bankruptcy Local Rules for the U.S. District Court for the Northern District of California (the
13 "Bankruptcy Local Rules"). Unless otherwise stated in this Declaration, I have personal knowledge of
14 the facts set forth herein. To the extent any information disclosed herein requires amendment or
15 modification upon the Firm's completion of further review, or as additional information regarding
16 parties in interest becomes available, a supplemental declaration will be submitted to the Court
17 reflecting such amended, supplemented or otherwise modified information.

18 3. The Firm's attorneys are admitted to practice before this Court and are qualified to
19 represent the Debtors in these proceedings by reason of their ability, integrity, and professional
20 experience. The Firm is a boutique law firm focused on bankruptcy and restructuring. The Firm's
21 attorneys have served as debtor's counsel in a wide range of chapter 11 cases, involving most aspects
22 of law that may arise in these Chapter 11 Cases. In addition to their work as debtor's counsel, the
23 Firm's attorneys have played various roles in chapter 11 cases and have extensive chapter 11
24 experience both within this District and across the country.

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28 ¹ Capitalized terms used but not otherwise herein defined have the meanings ascribed to such terms in the Application.

The Firm's Connections with the Debtors

4. The Firm has rendered restructuring-related legal services to the Debtors since May 2018. Since that time, the Firm has advised the Debtors in connection with refinancing and restructuring strategies, with an emphasis on local practices and precedent. Most recently, the Firm has provided the necessary services to enable the Debtors to commence the Chapter 11 Cases. The Firm, working together with Weil, Gotshal & Manges LLP ("Weil"), was responsible for the preparation of the chapter 11 petitions, initial motions and applications relating to these Chapter 11 Cases and their commencement.

5. Neither I, the Firm, nor any partner of, counsel to, or associate of the Firm represents any entity other than the Debtors in connection with these Chapter 11 Cases. In addition, except as set forth herein, to the best of my knowledge, after due inquiry, neither I, the Firm, nor any partner of, counsel to, or associate of the Firm represents any party in interest in these Chapter 11 Cases in matters related to these Chapter 11 Cases.

6. No Firm personnel or member of the household of any of the Firm's personnel holds any claims against, stock of, or other interests in the Debtors.² None of the foregoing individuals are employed by the Debtors except through the Firm.

7. The Firm received from the Debtors a document in excess of 200 pages including a detailed list of the names of individuals or institutions (collectively, the "Interested Parties") in the following categories, among others:

- (a) the Debtors;
- (b) the Debtors' directors and officers;
- (c) the Debtors' vendors and contractors through which the Debtors conduct their business operations;
- (d) the Debtors' insurers and insurance brokers;

² One or more of the firm's attorneys hold or may hold interests in publicly-available funds that have small (less than 5% of such fund) holdings of stock of PG&E Corporation or debt of the Debtors. Similarly, the Firm's attorneys may directly or indirectly have stock or debt ownership positions in creditors of the Debtors. Those attorneys have no control over such funds and the funds' interests are *de minimis* relative to the fund size.

- (e) the Debtors' secured creditors;
- (f) identified parties in litigation or arbitration with the Debtors and/or certain non-debtor affiliates;
- (g) the attorneys for the United States Trustee's Office for the Northern District of California in San Francisco; and
- (h) the bankruptcy judges for the Northern District of California.

8. To check and clear potential conflicts of interest in these cases, as well as to identify all connections (as such term is used in Bankruptcy Rule 2014) to the Debtors, their creditors, other parties in interest, their respective attorneys and accountants, the U.S. Trustee, or any person employed in the office of the U.S. Trustee, the Firm's lawyers each reviewed the list of Interested Parties to determine whether they have or had any relationships with the Interested Parties.

The Firm's Connections with Parties in Interest in Matters Unrelated to These Chapter 11 Cases

9. I reviewed the current and former clients of the Firm, and the connections between those entities and the Debtors. After such review, I determined that the Firm does not hold or represent an interest that is adverse to the Debtors' estates and that the Firm is a "disinterested person" as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, for the reasons discussed below.

10. The Firm or its lawyers and legal staff previously represented, currently represents, or may, in the future, represent the entities (or their affiliates) described below, in matters unrelated to the Debtors. The Firm has not represented, does not represent, and will not represent any Interested Parties other than the Debtors in matters directly related to the Debtors or these Chapter 11 Cases:

- (a) San Mateo County Tax Collector; San Mateo County. The Firm currently represents the County of San Mateo in connection with the Chapter 11 cases of Verity Health System of California, Inc. and affiliated entities currently pending as Case No. 2:18-bk-20151 in the United States Bankruptcy Court for the Central District of California.

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- 1 (b) Prior Representations: Jane Kim. Jane Kim, a partner of the Firm, previously
2 represented the below-listed parties and/or certain of their affiliates at her prior firm,
3 Cleary Gottlieb Steen & Hamilton LLP. Such representations were unrelated to the
4 Debtors. The Firm does not currently represent, and has never represented, any of the
5 below-listed parties. In addition, it is possible that Ms. Kim may have worked on
6 smaller engagements while at Cleary Gottlieb involving other Interested Parties. No
7 such representations were related to the Debtors.
- 8 (i) Bank of America, N.A.
9 (ii) Citibank, N.A.
10 (iii) Goldman Sachs Bank USA
11 (iv) Covanta Power Pacific, Inc.
12 (v) Morgan Stanley, Morgan Stanley Bank, Morgan Stanley Senior Funding,
13 Morgan Stanley Capital Group, Inc.
- 14 (c) Prior Representations: Tobias Keller. I represented Morgan Stanley, Morgan Stanley
15 Capital Group or one of their affiliates in certain matters when I was a partner at Jones
16 Day during the period from 2006 to 2013. None were related to the Debtors. The Firm
17 does not currently represent, and has never represented, these parties or their affiliates.
- 18 (d) Prior Representations: Tobias Keller and Peter Benvenutti. It is possible that my
19 partner, Peter Benvenutti, or I may have worked on smaller engagements while at Jones
20 Day involving other Interested Parties. No such representations were related to the
21 Debtors.
- 22 (e) Prior Representation: Stacey Osborne. Stacey Osborne, a paralegal formerly employed at
23 the Firm, conducted a review of certain internal e-mails that related to the Butte wildfire
24 while working for the law firm of Carlson Calladine & Peterson. The materials that she
25 reviewed may be related to matters that have given rise to claims or potential claims
26 against the Debtors. The Firm does not currently represent, and has never represented,
27 any of the clients for whom Ms. Osborne did work at Carlson Calladine & Peterson.
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1 (f) Juniper Energy, LLC. Juniper is a solar power company for which Keith McDaniels, an
2 attorney with the Firm, is a principal. Juniper has a business relationship with Sonoma
3 Clean Power Authority, a creditor of the Debtors.

4 11. Keith McDaniels, of counsel to the Firm, was a partner at Winston & Strawn LLP from
5 2005 to 2009 and an associate from 2003 to 2005, where at one time he was a colleague of the
6 Honorable Hannah L. Blumenstiel and the Honorable M. Elaine Hammond, current bankruptcy judges
7 in the Northern District of California.

8 12. Other than as described in the foregoing, after diligent inquiry, I have ascertained no
9 connection, as such term is used in section 101(14)(C) of the Bankruptcy Code, as modified by section
10 1107(b) and Bankruptcy Rule 2014(a), between the Firm and (i) the U.S. Trustee or any person
11 employed by the U.S. Trustee, (ii) any attorneys, accountants, or financial consultants in these Chapter
12 11 Cases, or (iii) any investment bankers who represent or may represent the Debtors, claimants, or
13 other parties in interest in these Chapter 11 Cases, except as set forth herein.

14 13. As part of its practice, the Firm appears in cases, proceedings, and transactions
15 involving many different attorneys, accountants, financial consultants, and investment bankers, some
16 of whom now, or may in the future, represent claimants and other parties in interest in these cases.
17 The Firm has not represented, and will not represent, any such parties in relation to the Debtors or
18 their Chapter 11 Cases. The Firm does not have any relationship with any such attorneys, accountants,
19 financial consultants, or investment bankers that would be adverse to the Debtors or their estates.

20 14. Despite the efforts described herein to identify and disclose the Firm's connections with
21 the parties in interest in these Chapter 11 Cases, and because the Debtors have numerous relationships,
22 the Firm is unable to state with certainty that every client relationship or other connection has been
23 disclosed. If any new material, relevant facts, or relationships are discovered or arise, the Firm will
24 promptly file a supplemental disclosure with the Court.

25 15. Based on the foregoing, insofar as I have been able to ascertain after diligent inquiry, I
26 believe the Firm does not hold or represent an interest adverse to the Debtors' estates in the matters
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1 upon which the Firm is to be employed, and that the Firm is "disinterested" as such term is defined in
2 section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code.

3 The Firm's Relationship with the Debtors (Ruel 2016 Disclosures)

4 16. The Firm is not a creditor of the Debtors. During the ninety (90) day period prior to the
5 Petition Date, the Firm received payments and advances in the aggregate amount of \$363,635.00 for
6 professional services performed and to be performed, and expenses incurred, including in connection
7 with the commencement and prosecution of these Chapter 11 Cases. An analysis of funds held by the
8 Firm during this period, with adjustments for invoices issued and additional amounts provided, is
9 attached hereto as Exhibit A. As of the Petition Date, the Firm had a remaining credit balance in favor
10 of the Debtors for professional services performed and to be performed, and expenses incurred and to
11 be incurred, in connection with these Chapter 11 Cases in the amount of \$111,105.20 (the "Fee
12 Advance").³

13 17. The Firm intends to charge the Debtors for services rendered in these Chapter 11 Cases
14 at the Firm's normal hourly rates in effect at the time the services are rendered. The Firm's current
15 customary hourly rates, subject to change from time to time, are \$600 to \$800 for partners and
16 counsel, \$400 to \$550 for associates, and \$225 for paraprofessionals. The Firm also intends to seek
17 reimbursement for expenses incurred in connection with its representation of the Debtors in
18 accordance with the Firm's normal reimbursement policies, all as more fully set forth in the Firm's
19 retention agreement with the Debtors attached hereto as Exhibit A (the "Retention Agreement").

20 18. The Debtors' obligations under the Retention Agreement are subject to any
21 modifications to such policies that the Firm may be required to make to comply with orders of this
22 Court, the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, the United States
23 Bankruptcy Court Northern District of California Guidelines for Compensation and Expense
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25 ³ The Firm drew down funds in its trust account immediately prior to the Petition Date in an
26 amount sufficient to cover its outstanding fees and expenses at the time. On February 9, 2019, the
27 Firm completed its reconciliation of fees and expenses incurred prior to the Petition Date and
28 determined that it drew down, prior to the filing, \$21,105.20 more than necessary to cover the Firm's
outstanding fees and expenses. That sum has been returned to the Firm's trust fund for the benefit of
the Debtors.

1 Reimbursement of Professionals and Trustees effective February 19, 2014, the United States Trustee
2 Guidelines Region 17 updated December 16, 2016 (the "Local Guidelines"), the U.S. Trustee
3 Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed
4 under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases effective November 1, 2013 (the
5 "U.S. Trustee Guidelines," and together with the Local Guidelines, the "Fee Guidelines"), and any
6 further orders of the Court (the "Orders").

7 19. No promises have been received by the Firm, or any partner, counsel, or associate of
8 the Firm, as to payment or compensation in connection with these Chapter 11 Cases other than in
9 accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local
10 Rules, and the Fee Guidelines. Furthermore, the Firm has no agreement with any other entity to share
11 compensation received by the Firm or by such entity.

12 20. The Application requests approval of the Firm's retention on rates, terms, and
13 conditions consistent with what the Firm charges non-chapter 11 debtors, namely, prompt payment of
14 the Firm's hourly rates, as adjusted from time to time, and reimbursement of out-of-pocket
15 disbursements at cost or based on formulas that approximate the actual cost where the actual cost is
16 not easily ascertainable. Subject to these terms and conditions, the Firm intends to apply for
17 allowance of compensation for professional services rendered in these Chapter 11 Cases and for
18 reimbursement of actual and necessary expenses relating thereto, in accordance with the applicable
19 provisions of the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, and the Fee
20 Guidelines.

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ATTORNEY STATEMENT PURSUANT TO U.S. TRUSTEE GUIDELINES

The following is provided in response to the request for additional information set forth in Paragraph D.1 of the U.S. Trustee Fee Guidelines.

Question: Did you agree to any variations from, or alternatives to, your standard or customary billing arrangements for this engagement?

Response: No.

Question: Do any of the professionals included in this engagement vary their rate based on the geographic location of the bankruptcy case?

Response: No.

Question: If you represented the client in the twelve (12) months prepetition, disclose your billing rates and material financial terms for the prepetition engagement, including any adjustments during the twelve (12) months prepetition. If your billing rates and material financial terms have changed postpetition, explain the difference and the reasons for the difference.

Response: The Firm represented the Debtors for approximately eight months prior to the Petition Date. The Firm's customary hourly rates were \$600 to \$800 for partners and counsel, \$400 to \$550 for associates, and \$225 for paraprofessionals. The Firm's billing rates and material financial terms with respect to this matter have not changed postpetition.

Question: Has your client approved your prospective budget and staffing plan, and, if so, for what budget period?

Response: The Firm is developing a prospective budget and staffing plan for these Chapter 11 Cases. The Firm and the Debtors will review such budget following the close of the budget period to determine a budget for the following period.

The foregoing constitutes the statement of the Firm pursuant to section 327(a) of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016.

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1 I declare under penalty of perjury that, to the best of my knowledge and after reasonable
2 inquiry, the foregoing is true and correct and that this declaration was executed at San Francisco,
3 California, on March 13, 2019.

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5 /s/ Tobias S. Keller
6 Tobias S. Keller
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